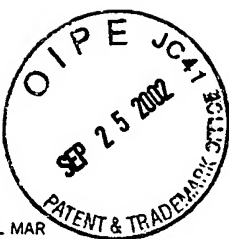


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FOLEY LARDNER
ATTORNEYS AT LAW

March 27, 2002

**PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATION**

Gary Starr, Chief Executive Officer
ZAP
117 Morris Street
Sebastopol, California 95472

Re: U.S. Patent Application No.: 10/057,209
Filing Date: 01/22/2002
Title: **Submersible Marine Vehicle**
Inventors: Dunn, Adam Peter, et al.
Our Ref.: 059284-0146

RECEIVED
SEP 26 2002
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Dear Gary:

Enclosed please find a copy of the official Filing Receipt and a Notice to File Missing Parts of Nonprovisional Application which we recently received from the U.S. Patent and Trademark Office ("PTO") for the above-identified patent application. This document is the official notice from the PTO confirming the filing date of the application, the identity of the applicant/inventor, and the title of the application.

We have reviewed the Filing Receipt and confirm that the filing date of 01/22/2002 and title are correct. We request that you advise us immediately if your names are incorrectly set forth, or if you notice any other information that is incorrect.

On January 24, 2002, we sent you a Declaration and Power of Attorney and an Assignment and Agreement which require the signatures of all of the inventors (enclosed are duplicate originals of these documents for your use, along with a copy of my letter to you). Please forward these documents back to me as soon as possible, fully executed, so that we may

FOLEY & LARDNER
ONE MARITIME PLAZA
SIXTH FLOOR
SAN FRANCISCO, CALIFORNIA 94111-3404

TEL: 415.434.4484
FAX: 415.434.4507
WWW.FOLEYLARDNER.COM

WRITER'S DIRECT LINE
415.438.6454

EMAIL ADDRESS
jhendrickson@foleylaw.com

CLIENT/MATTER NUMBER
059284-0146

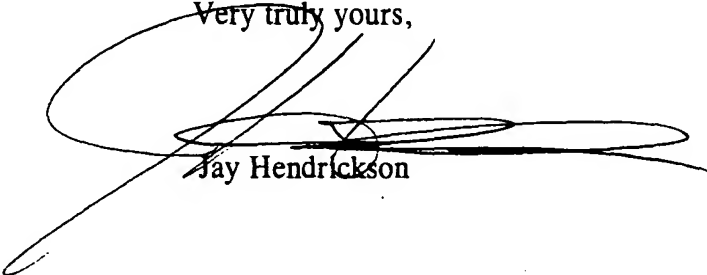
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FOLEY:LARDNER

Gary Starr, Chief Executive Officer
ZAP
March 27, 2002
Page 2

submit them to the PTO. Our deadline for submitting the Declaration and Power of Attorney is two months from the date of the Notice of Missing Parts, which is **April 25, 2002**.

Very truly yours,



Jay Hendrickson

JPH:tmg
Enclosures



SEP 25 2002
UNITED STATES PATENT AND TRADEMARK OFFICE

COMMISSIONER FOR PATENTS
UNITED STATES PATENT AND TRADEMARK OFFICE
WASHINGTON, D.C. 20231
www.uspto.gov

APPLICATION NUMBER	FILING DATE	GRP ART UNIT	FIL FEE REC'D	ATTY. DOCKET NO	DRAWINGS	TOT CLAIMS	IND CLAIMS
10/057,209	01/22/2002	3617	435	059284-0146	5	19	1

25734
FOLEY & LARDNER
ONE MARITIME PLAZA
SIXTH FLOOR
SAN FRANCISCO, CA 94111

CONFIRMATION NO. 1735

FILING RECEIPT



OC000000007525536

Date Mailed: 02/25/2002

Receipt is acknowledged of this nonprovisional Patent Application. It will be considered in its order and you will be notified as to the results of the examination. Be sure to provide the U.S. APPLICATION NUMBER, FILING DATE, NAME OF APPLICANT, and TITLE OF INVENTION when inquiring about this application. Fees transmitted by check or draft are subject to collection. Please verify the accuracy of the data presented on this receipt. If an error is noted on this Filing Receipt, please write to the Office of Initial Patent Examination's Customer Service Center. Please provide a copy of this Filing Receipt with the changes noted thereon. If you received a "Notice to File Missing Parts" for this application, please submit any corrections to this Filing Receipt with your reply to the Notice. When the USPTO processes the reply to the Notice, the USPTO will generate another Filing Receipt incorporating the requested corrections (if appropriate).

Applicant(s)

Adam Peter Dunn, Sebastopol, CA;
Scott Roberts Kalkman, Sebastopol, CA;
Gary Starr, Sebastopol, CA;
James R. Jeremias, Sebastopol, CA;

Assignment For Published Patent Application

ZAP;

Domestic Priority data as claimed by applicant

THIS APPLN CLAIMS BENEFIT OF 60/262,856 01/19/2001

Foreign Applications

If Required, Foreign Filing License Granted 02/23/2002

Projected Publication Date: Request for Non-Publication Acknowledged

Non-Publication Request: Yes

Early Publication Request: No

** SMALL ENTITY **

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Title

Submersible marine vehicle

Preliminary Class

114

**LICENSE FOR FOREIGN FILING UNDER
Title 35, United States Code, Section 184
Title 37, Code of Federal Regulations, 5.11 & 5.15**

GRANTED

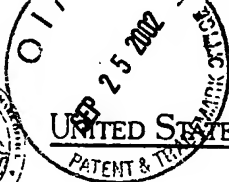
The applicant has been granted a license under 35 U.S.C. 184, if the phrase "IF REQUIRED, FOREIGN FILING LICENSE GRANTED" followed by a date appears on this form. Such licenses are issued in all applications where the conditions for issuance of a license have been met, regardless of whether or not a license may be required as set forth in 37 CFR 5.15. The scope and limitations of this license are set forth in 37 CFR 5.15(a) unless an earlier license has been issued under 37 CFR 5.15(b). The license is subject to revocation upon written notification. The date indicated is the effective date of the license, unless an earlier license of similar scope has been granted under 37 CFR 5.13 or 5.14.

This license is to be retained by the licensee and may be used at any time on or after the effective date thereof unless it is revoked. This license is automatically transferred to any related applications(s) filed under 37 CFR 1.53(d). This license is not retroactive.

The grant of a license does not in any way lessen the responsibility of a licensee for the security of the subject matter as imposed by any Government contract or the provisions of existing laws relating to espionage and the national security or the export of technical data. Licensees should apprise themselves of current regulations especially with respect to certain countries, of other agencies, particularly the Office of Defense Trade Controls, Department of State (with respect to Arms, Munitions and Implements of War (22 CFR 121-128)); the Office of Export Administration, Department of Commerce (15 CFR 370.10 (j)); the Office of Foreign Assets Control, Department of Treasury (31 CFR Parts 500+) and the Department of Energy.

NOT GRANTED

No license under 35 U.S.C. 184 has been granted at this time, if the phrase "IF REQUIRED, FOREIGN FILING LICENSE GRANTED" DOES NOT appear on this form. Applicant may still petition for a license under 37 CFR 5.12, if a license is desired before the expiration of 6 months from the filing date of the application. If 6 months has lapsed from the filing date of this application and the licensee has not received any indication of a secrecy order under 35 U.S.C. 181, the licensee may foreign file the application pursuant to 37 CFR 5.15(b).



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APPLICATION NUMBER	FILING/RECEIPT DATE	FIRST NAMED APPLICANT	ATTORNEY DOCKET NUMBER
10/057,209	01/22/2002	Adam Peter Dunn	059284-0146

25734
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SIXTH FLOOR
SAN FRANCISCO, CA 94111

CONFIRMATION NO. 1735

FORMALITIES LETTER



OC000000007525537

Date Mailed: 02/25/2002

NOTICE TO FILE MISSING PARTS OF NONPROVISIONAL APPLICATION

FILED UNDER 37 CFR 1.53(b)

Filing Date Granted

An application number and filing date have been accorded to this application. The item(s) indicated below, however, are missing. Applicant is given **TWO MONTHS** from the date of this Notice within which to file all required items and pay any fees required below to avoid abandonment. Extensions of time may be obtained by filing a petition accompanied by the extension fee under the provisions of 37 CFR 1.136(a).

- The oath or declaration is unsigned.

A copy of this notice MUST be returned with the reply.

Customer Service Center

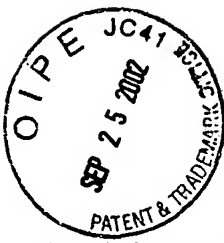
Initial Patent Examination Division (703) 308-1202

PART 1 - ATTORNEY/APPLICANT COPY

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DECLARATION AND POWER OF ATTORNEY

As a below named inventor, I HEREBY DECLARE:

THAT my residence, post office address, and citizenship are as stated below next to my name;

THAT I believe I am an original, first, and joint inventor of the subject matter which is claimed and for which a patent is sought on the invention entitled:

Submersible Marine Vehicle

(Attorney Docket No. 059284-0146)

the specification of which (check one):

 X is attached hereto.

 Was filed on as United States Application Number or PCT International Application Number and was amended on (if applicable).

THAT I do not know and do not believe that the same invention was ever known or used by others in the United States of America, or was patented or described in any printed publication in any country, before we invented it;

THAT I do not know and do not believe that the same invention was patented or described in any printed publication in any country, or in public use or on sale in the United States of America, for more than one year prior to the filing date of this United States application;

THAT I do not know and do not believe that the same invention was first patented or made the subject of an inventor's certificate that issued in any country foreign to the United States of America before the filing date of this United States application if the foreign application was filed by us, or by our legal representatives or assigns, more than twelve months prior to the filing date of this United States application;

THAT I have reviewed and understand the contents of the above-identified specification, including the claims;

THAT I believe that the above-identified specification contains a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the invention, and sets forth the best mode contemplated by me of carrying out the invention; and

THAT I acknowledge the duty to disclose to the U.S. Patent and Trademark Office all information known to me to be material to patentability as defined in Title 37, Code of Federal Regulations, §1.56,

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SEP 26 2002

OFFICE OF PETITIONS

I HEREBY CLAIM the benefit under Title 35, United States Code § 119(e) of any United States provisional application listed below:

U.S. Provisional Application Number	Filing Date
60/262,856	1/19/2001

I HEREBY APPOINT the following registered attorneys and agents of the law firm of FOLEY & LARDNER:

JAY HENDRICKSON

Reg. No. 37,147

to have full power to prosecute this application and any continuations, divisions, reissues, and reexaminations thereof, to receive the patent, and to transact all business in the United States Patent and Trademark Office connected therewith.

I request that all correspondence be directed to:

Jay Hendrickson
 FOLEY & LARDNER
 Customer Number: 25734
 PATENT TRADEMARK OFFICE
 ONE MARITIME PLAZA, SIXTH FLOOR
 SAN FRANCISCO, CA 94111
 Telephone: (415) 438-6454
 Facsimile: (415) 434-4507

I UNDERSTAND AND AGREE THAT the foregoing attorneys and agents appointed by me to prosecute this application do not personally represent me or my legal interests, but instead represent the interests of the legal owners of the invention described in this application.

I FURTHER DECLARE THAT all statements made herein of my own knowledge are true, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Name of first inventor	Adam Peter Dunn
Residence	Sebastopol, California
Citizenship	U.S.A.
Post Office Address	117 Morris Street Sebastopol, California 95472
Inventor's signature	
Date	

Name of second inventor	Scott Roberts Kalkman
Residence	Sebastopol, California
Citizenship	U.S.A.
Post Office Address	117 Morris Street Sebastopol, California 95472
Inventor's signature	
Date	
Name of third inventor	Gary Starr
Residence	Sebastopol, California
Citizenship	U.S.A.
Post Office Address	117 Morris Street Sebastopol, CA 95472
Inventor's signature	
Date	
Name of fourth inventor	James R. Jeremias
Residence	Sebastopol, California
Citizenship	U.S.A.
Post Office Address	117 Morris Street Sebastopol, CA 95472
Inventor's signature	
Date	

ASSIGNMENT AND AGREEMENT

WHEREAS, Adam P t r Dunn of 117 Morris Street, Sebastopol, California 95472; Scott Rob rts Kalkman of 117 Morris Street, Sebastopol, California 95472; Gary Starr of 117 Morris Street, Sebastopol, CA 95472 and James R. Jeremias of 117 Morris Street, Sebastopol, CA 95472; (hereinafter referred to singly and collectively as "ASSIGNOR") have invented a certain invention entitled **Submersible Marine Vehicle** (Atty. Dkt. No. 059284-0146) for which an application for United States Letters Patent was executed by ASSIGNOR concurrently herewith; and

WHEREAS, **ZAP**, a corporation duly organized and existing under the laws of the State of California, and having its principal place of business at 117 Morris Street, Sebastopol, California 95472 (hereinafter referred to as "ASSIGNEE") is desirous of acquiring the entire interest therein;

NOW THEREFORE, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, ASSIGNOR has sold, assigned, and transferred, and by these presents hereby sells, assigns, and transfers, unto ASSIGNEE, its successors and assigns, the full and exclusive right, title, and interest in and to (a) the above-identified invention or inventions and all improvements and modifications thereof, (b) the above-identified application and all other applications for Letters Patent of the United States and countries foreign thereto for the above-identified invention or inventions and all improvements and modifications thereof, (c) all Letters Patent which may issue from said applications in the United States and countries foreign thereto, (d) all divisions, continuations, reissues, and extensions of said applications and Letters Patent, and (e) the right to claim for any of said applications the full benefits and priority rights under the International Convention and any other international agreement to which the United States adheres; such right, title, and interest to be held and enjoyed by ASSIGNEE, its successors and assigns, to the full end of the term or terms for which any and all such Letters Patent may be granted as fully and entirely as would have been held and enjoyed by ASSIGNOR had this Assignment not been made.

ASSIGNOR HEREBY AUTHORIZES AND REQUESTS the Commissioner of Patents and Trademarks to issue said Letters Patent to ASSIGNEE as assignee of the entire interest, for the sole use and benefit of ASSIGNEE, its successors and assigns.

ASSIGNOR HEREBY AGREES (a) to communicate to ASSIGNEE, its successors and assigns, or their representatives or agents, all facts and information known or available to ASSIGNOR respecting said invention or inventions, improvements, and modifications including evidence for interference, reexamination, reissue, opposition, revocation, extension, or infringement purposes or other legal, judicial, or administrative proceedings, whenever requested by ASSIGNEE; (b) to testify in person or by affidavit as required by ASSIGNEE, its successors and assigns, in any such proceeding in the United States or a country foreign thereto; (c) to execute and deliver, upon request by ASSIGNEE, all lawful

papers including, but not limited to, original, divisional, continuation, and reissue applications, renewals, assignments, powers of attorney, oaths, affidavits, declarations, depositions; and (d) to provide all reasonable assistance to ASSIGNEE, its successors and assigns, in obtaining and enforcing proper title in and protection for said invention or inventions, improvements, and modifications under the intellectual property laws of the United States and countries foreign thereto.

ASSIGNOR HEREBY REPRESENTS AND WARRANTS that ASSIGNOR has the full and unencumbered right to sell, assign, and transfer the interests sold, assigned, and transferred herein, and that ASSIGNOR has not executed and will not execute any document or instrument in conflict herewith.

ASSIGNOR HEREBY GRANTS to the law firm of **Foley & Lardner** the power and authority to insert in this Assignment any further identification which may be necessary or desirable to comply with the rules of the U.S. Patent and Trademark Office for recordation of this Assignment.

ASSIGNOR UNDERSTANDS AND AGREES that the attorneys and agents of the law firm of **Foley & Lardner** do not personally represent ASSIGNOR or ASSIGNOR's legal interests, but instead represent the interests of ASSIGNEE; since said attorneys and agents cannot provide legal advice to ASSIGNOR with respect to this Assignment, ASSIGNOR acknowledges its right to seek its own independent legal counsel.

Executed this _____ day of _____, 2002.

ADAM PETER DUNN

State of _____)
County of _____) ss.

On this ____ day of _____, 2002, before me, a notary public in and for said county, appeared ADAM PETER DUNN, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, and he/she acknowledged that he/she signed, sealed, and delivered the said instrument as his/her free and voluntary act for the uses and purposes therein set forth.

Notary Public

My Commission Expires:

(Seal)

Executed this _____ day of _____, 2002.

SCOTT ROBERTS KALKMAN

State of _____)
County of _____) ss.

On this _____ day of _____, 2002, before me, a notary public in and for said county, appeared SCOTT ROBERTS KALKMAN, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, and he/she acknowledged that he/she signed, sealed, and delivered the said instrument as his/her free and voluntary act for the uses and purposes therein set forth.

Notary Public

My Commission Expires: _____

(Seal)

Executed this _____ day of _____, 2002.

GARY STARR

State of _____)
)ss.
County of _____)

On this _____ day of _____, 2002, before me, a notary public in and for said county, appeared GARY STARR, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, and he/she acknowledged that he/she signed, sealed, and delivered the said instrument as his/her free and voluntary act for the uses and purposes therein set forth.

Notary Public

My Commission Expires: _____

(Seal)

Executed this ____ day of _____, 2002.

JAMES R. JEREMIAS

State of _____)
County of _____) ss.

On this ____ day of _____, 2002, before me, a notary public in and for said county, appeared JAMES R. JEREMIAS, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, and he/she acknowledged that he/she signed, sealed, and delivered the said instrument as his/her free and voluntary act for the uses and purposes therein set forth.

Notary Public

My Commission Expires: _____

(Seal)

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WEST PALM BEACH



FOLEY LARDNER
ATTORNEYS AT LAW

COPY

January 24, 2002

Mr. Gary Starr
Chief Executive Officer
ZAP
117 Morris Street
Sebastopol, California 95472

Re: U.S. Patent Application
Title: Submersible Marine Vehicle
Inventors: Dunn, Adam Peter, et al.
Our Ref.: 059284-0146

Dear Gary:

Enclosed please find the final draft of the above-referenced patent application which was filed with the U. S. Patent and Trademark Office on January 22, 2002. I have also enclosed various formal papers which require your signature as well as that of Adam Peter Dunn, Scott Roberts Kalkman and James R. Jeremias.

Please thoroughly read the patent application, including the specification, claims, and drawings, to ensure that it provides an accurate and complete description of the invention. The written description should be sufficiently complete to enable someone of ordinary skill in the art to make and use the invention. The application must describe the "best mode" contemplated by the inventors for carrying out the invention, *i.e.*, in order to obtain a valid patent, no important details about the preferred embodiment of the invention can be withheld as a trade secret. If, after review of the application, you find that anything in the application is incomplete, inaccurate, untrue, or possibly misleading, please contact me immediately so we can discuss the matter. If you find any typographical, grammatical, or other minor formal errors, please note them in a separate memo to me such that I can correct them by amendment at a later date.

If everything appears to be in order, please read, sign, and date the Declaration and Power of Attorney form at the colored tags. By executing this document, you will be verifying the originality of your invention and acknowledging your duty to disclose to the U.S.

FOLEY & LARDNER
ONE MARITIME PLAZA
SIXTH FLOOR
SAN FRANCISCO, CALIFORNIA 94111-3404

TEL: 415.434.4484
FAX: 415.434.4507
WWW.FOLEYLARDNER.COM

WRITER'S DIRECT LINE
415.438.6454

EMAIL ADDRESS
jhendrickson@foleylaw.com

CLIENT/MATTER NUMBER
059284-0146

016.264022.1

Mr. Gary Starr
January 24, 2002
Page 2

Patent and Trademark Office any information of which you are aware that could be material to the examination of the application. Material information could include patents, brochures and other publications (including those authored by a competitor, inventor, or co-worker), published industry standards, as well as information on possible prior uses of the invention, prior sales or offers to sell the invention, prior knowledge of the invention by others, prior invention by another, inventorship conflicts, and the like. This duty of disclosure is an important requirement of the law, and continues throughout the entire prosecution of the patent application until the application issues as a patent. Note that the Declaration is signed under penalty of perjury, so careful consideration should be paid to its contents before signing. Also note that the Declaration should remain attached to the patent application.

You should also read, sign, and date the enclosed Assignment and Agreement, which must be executed in the presence of a Notary Public. By executing the Assignment, you will be acknowledging your obligation to ZAP by assigning all your rights in the invention to the company.

After executing the formal papers, please have the other inventors do the same. Please return the fully executed formal papers to me as soon as possible. You may keep the copy of the patent application for your records.

Now that the patent application is on file, any device covered by the claims of the application may be marked "Patent Applied For" or "Patent Pending" or an abbreviation thereof. This "Patent Pending" marking is not mandatory, as it only serves as a cautionary warning to would-be competitors that the device may be subject to patent protection in the future. However, this marking should be continued only as long as the application is still pending in the United States Patent and Trademark Office. If the application issues as a patent, the appropriate patent number should replace this marking. If the application should become abandoned and this is the only application pertinent to the device, then the marking should be eliminated entirely.

If you have any questions regarding any of the above, please do not hesitate to contact me.

Very truly yours,

Jay Hendrickson

JPH:tmg
Enclosures